

In re) Fair Hearing No. B-08/08-387
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 Appeal of)

The petitioner appeals a decision by the Department for Children and Families terminating petitioner's eligibility for Vermont Health Access Plan (VHAP) benefits. The issue is whether the petitioner is over-income for VHAP benefits. The basic facts are not in issue.

1. The petitioner is a single person household. Petitioner currently receives unemployment compensation benefits. His gross weekly benefit is \$342. Petitioner has elected to have income taxes withheld from his unemployment compensation benefits. As a result, he receives \$300 per week.

2. On or about August 20, 2008, the Department sent petitioner two notices. In the first notice, the Department informed petitioner that he was over-income for VHAP benefits and that his VHAP would close effective August 31, 2008 but that he was eligible for the Catamount Health Assistance

Program (CHAP). In the second notice, petitioner was informed that he was eligible to sign up for CHAP benefits and given a September 19, 2008 deadline to do so.

3. The Department used the gross weekly benefit of \$342 to determine petitioner's countable monthly income of \$1,470.60. The maximum monthly income limit for VHAP eligibility is \$1,307.00 for a one person household.

4. Petitioner filed a timely appeal. In addition, petitioner completed the paperwork for CHAP and paid a monthly premium of \$49 for CHAP benefits effective October 1, 2008.

ORDER

The Department's decision to terminate VHAP is affirmed.

REASONS

The VHAP program provides health insurance for households whose countable income is equal to or less than 185 percent of the Federal Poverty Level (FPL). The Department has promulgated regulations that set out how to determine countable income. Unemployment compensation is considered unearned income. W.A.M. § 4001.81(b).

The Department counts all earned and unearned income except for deductions for certain business expenses, the

\$90.00 employment disregard and/or a dependent care disregard. W.A.M. § 4001.81(c) and (e). There is no basis in the regulations for deducting petitioner's withheld taxes from his monthly income.

There is no dispute that as of the date of recommending closure of petitioner's VHAP eligibility that the petitioner's household had countable monthly income in excess of \$1,307.00, the maximum for eligibility under the VHAP program for a one person household. P-2420B.

When the Vermont Legislature passed Act 191, An Act Relating to Health Care Affordability in 2006, they expanded health care coverage through premium assistance for uninsured adult Vermonters who are not eligible for VHAP and whose income is equal to or less than 300 percent of the Federal Poverty Level (FPL). W.A.M. §§ 4102 and 4102.4. The Department correctly informed petitioner that he would be eligible for premium assistance under CHAP.

Based on the foregoing, the Department's decision to terminate petitioner's VHAP eligibility is affirmed. 3
V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4(D).

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